



A PHI Company

Pamela J. Scott
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December 9, 2015

**FILED VIA DELAFILE
AND VIA ELECTRONIC MAIL**
Donna Nickerson, Secretary
Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, DE 19904

Re: **Docket No. 15-0889 – Motion to Amend PSC Order No. 8731**

Dear Ms. Nickerson:

Delmarva Power & Light Company hereby submits this Motion to Amend Order No. 8731 in the above-referenced docket and asks that this be placed on the Commission's agenda for December 15, 2015.

Please feel free to call me at the number referenced above if you have any questions.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Pamela J. Scott", written over a horizontal line.

Pamela J. Scott

cc: Susan Devito (w/enclosures)
Kristin McEvoy (w/enclosures)
Pamela Knotts (w/enclosures)
Brenda Mayrack, Esquire
David Bonar (w/enclosures)
Regina Iorii, Esquire (w/enclosures)

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE PROVISION OF)	
STANDARD OFFER SUPPLY TO RETAIL)	
CONSUMERS IN THE SERVICE TERRITORY OF)	PSC DOCKET NO. 15-0889
DELMARVA POWER & LIGHT COMPANY)	
(FILED APRIL 1, 2015))	

**MOTION OF DELMARVA POWER & LIGHT COMPANY
REQUESTING AN AMENDMENT TO ORDER NO. 8731 PERTAINING TO
THE PUBLICATION OF NOTICE**

Pursuant to 26 *Del. Admin. C.* §1001-2.7.1 of the Rules of Practice and Procedure of the Delaware Public Service Commission (the “Commission”), Delmarva Power & Light Company (“Delmarva” or “Company”), by and through its undersigned counsel, moves the Commission to amend Order No. 8731, and in support of its motion states as follows:

1. On April 1, 2015, Delmarva filed its Application for Approval of the 2015 SOS Rates, Procurement Cost Adjustment and RARM Filing (the “Application”).
2. On May 5, 2015, the Commission adopted Order No. 8731 (the “Order”), which approved revised tariff sheets including the revised rates filed by Delmarva in the Application, on a temporary basis, subject to refund for usage on and after June 1, 2015. Attached to the Order was a form of public notice to all DPL SOS customers pertaining to the changes in rates.
3. The Order provided that Delmarva would publish the public notice as follows: May 21, 2015 in *The News Journal*, and May 22, 2015 in the *Delaware State News*. The Order also set the deadline of July 17, 2015 for the filing of petitions to intervene, or to file written comments or objections.
4. Delmarva inadvertently failed to publish the public notice in compliance with the Order, which was discovered on or about November 24, 2015.

5. Upon discovering the issue, Delmarva contacted Commission Staff to discuss the manner in which to rectify the situation. After discussions with Commission Staff, it was determined that the best course of action would be to file a motion requesting approval to republish the public notice and set a new deadline for leave for petitions to intervene and to file comments.

6. Delmarva notes that the failure to publish notice in compliance with the Order was a mistake and not an intentional act. Despite the lack of publication of notice in *The News Journal* and *Delaware State News*, customers were notified of the proposed change in rates by way of a press release issued on June 1, 2015, a copy of which is attached as Exhibit “A”, as well as through a bill insert issued to customers between June 1- 30, 2015, a copy of which is attached as Exhibit “B”.

7. The rates implemented by the Order have not yet been finalized but remain in effect on a temporary basis subject to refund.

8. On September 2, 2015, Delmarva filed documents to be used in connection with the 2016 SOS Procurement Improvement Process, specifically proposing changes to the Request for Proposals for Full Requirements Wholesale Electric Power Supply (“RFP”) and the Full Requirements Service Agreement (“FSA”). This filing was made in Docket No. 14-144 but was subsequently reassigned to Docket No. 15-0889.

9. On September 22, 2015, the Commission adopted Order No. 8795 approving the proposed changes to the 2016 SOS Procurement Improvement Process which included the RFP and FSA. Interested stakeholders were afforded notice by way of receipt of a copy of the filing, as well as an opportunity to participate in discussions regarding the revisions to the RFP and FSA. Consensus was reached among all interested stakeholders before presentation to the Commission and adoption of Order No. 8795.

WHEREFORE, for the reasons set forth above, Delmarva respectfully requests that the Commission amend Order No. 8731 to set new dates for public notice and a new deadline for the filing of motions to intervene, comments or objections.

A proposed Amended Order No. 8731 is attached to this motion as Exhibit "C". A redline version of Order No. 8731 showing the proposed changes is attached to this motion as Exhibit "D".



Pamela J. Scott
Assistant General Counsel
PO Box 6066
Newark, DE 19714-6066
(302) 429-3143
pjscott@pepcoholdings.com

Dated: December 9, 2015

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE PROVISION OF)	
STANDARD OFFER SUPPLY TO RETAIL)	
CONSUMERS IN THE SERVICE TERRITORY OF)	PSC DOCKET NO. 15-0889
DELMARVA POWER & LIGHT COMPANY)	
(FILED APRIL 1, 2015))	

CERTIFICATE OF SERVICE

I, Pamela J. Scott, hereby certify that on December 9, 2015, I caused a copy of the attached **MOTION OF DELMARVA POWER & LIGHT COMPANY REQUESTING AN AMENDMENT TO ORDER NO. 8731 PERTAINING TO THE PUBLICATION OF NOTICE** to be served upon all persons on the attached service list by electronic mail.



Pamela J. Scott
Assistant General Counsel
PO Box 6066
Newark, DE 19714-6066
(302) 429-3143
pjscott@pepcoholdings.com

Attachment: Service List

DOCKET NO. 15-0889

SERVICE LIST

Matthew Hartigan
Deputy Director
Delaware Public Service Commission
861 Silver Lake Boulevard
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Toni Loper
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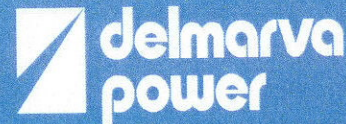
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Robert Howatt
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robert.howatt@state.de.us

Brenda Mayrack, Esquire
Deputy Attorney General
Delaware Department of Justice
102 W. Water Street
Dover, DE 19904
brenda.mayrack@state.de.us

EXHIBIT “A”

NEWS RELEASE



FOR IMMEDIATE RELEASE | May XX, 2015

Media Contact: Nick Morici

Office 302-333-7833 | 24/7 Media Hotline 866-655-2237 | nicholas.morici@pepcoholdings.com

401 Eagle Run RD

Newark, DE 19714

delmarva.com

NYSE: POM

New Electrical Rates Take Effect for DPL DE Customers

NEWARK, Del. – On June 1, 2015, customers will experience changes to their monthly electric bill. The new Standard Offer Service (SOS) Rates will take effect for Delmarva Power Delaware's residential customers. A typical customer who uses about 1,000 kilowatt hours of electricity per month will see their overall bill decrease around \$2.48 or about 1.7 percent. Charges for SOS pay for the electricity you use and equal about two-thirds of your bill. The decrease stems from our current business practices and contract procurements over a three year period.

Find additional information by visiting www.delmarva.com, on Facebook at www.facebook.com/delmarvapower and on Twitter at www.twitter.com/delmarvaconnect. Our mobile app is available at www.delmarva.com/mobileapp.

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EXHIBIT “B”

New Electric Rates Take Effect for Delaware Customers

Rates for Standard Offer Service (SOS) change effective June 1, 2015 for our Delaware electric customers. A typical residential customer who uses about 1,000 kilowatt hours of electricity per month will see their overall electric bill decrease \$2.48 or about 1.7 percent as a result of the rate adjustment. Charges for SOS pay for the electricity you use and equal about two-thirds of your bill.

See the chart below for the new rates. Listed in the chart below are the new Standard Offer Service rates including a comparison of summer and winter rates. Please note that summer rates take effect with the billing month of June.

Delmarva Power, as with many other utilities, charges different rates for electricity use in the summer (June-Sept) than it does in the winter (Oct-May).

For more information on the Renewable Compliance Charge which varies monthly, please visit delmarva.com/my-home/choices-and-rates/delaware/tariffs.

The information contained in this bill insert has been prepared as a general guideline for our customers. The company's tariff, as filed and approved by the Public Service Commission, is the official document regarding all rates and rules and regulations affecting service. For further information and details, copies of the tariff are available by contacting Delmarva Power Customer Care at 1-800-375-7117 or by visiting delmarva.com.



RATE SCHEDULE	RATES EFFECTIVE 6/1/15		PREVIOUS RATES	
	Summer (Jun-Sept)	Winter (Oct-May)	Summer (Jun-Sept)	Winter (Oct-May)
Residential – Rate R				
<i>Supply Service Charges</i>				
Supply Capacity, Energy and Ancillary				
First 500 kWh	\$0.083960/kWh	\$0.085564/kWh	\$0.087140/kWh	\$0.087706/kWh
Excess kWh	\$0.083960/kWh	\$0.085564/kWh	\$0.087140/kWh	\$0.087706/kWh
Residential Space Heating – RSH				
<i>Supply Service Charges</i>				
Supply Capacity, Energy and Ancillary				
Summer First 500 kWh	\$0.083821/kWh		\$0.085267/kWh	
Summer Excess kWh	\$0.083821/kWh		\$0.085267/kWh	
Winter First 1200 kWh Rate		\$0.077442/kWh		\$0.077619/kWh
Winter Excess kWh Rate		\$0.077442/kWh		\$0.077619/kWh
Residential Time of Use Non-Demand – R-TOU-ND				
<i>Supply Service Charges</i>				
Supply Capacity, Energy and Ancillary				
On-Peak Rate	\$0.134713/kWh	\$0.130831/kWh	\$0.139720/kWh	\$0.134243/kWh
Off-Peak Rate	\$0.047400/kWh	\$0.053571/kWh	\$0.050544/kWh	\$0.056313/kWh

New Electric Rates Take Effect for Delaware Customers

Rates for Standard Offer Service (SOS) will change effective June 1, 2015 for our Delaware electric customers. The impact to commercial and industrial customers will vary. Charges for SOS pay for the electricity you use and equal approximately two-thirds of your bill.

See the chart below for the new rates. Listed in the chart below are the new Standard Offer Service rates including a comparison of summer and winter rates. Please note that summer rates take effect with the billing month of June. Delmarva Power, as with many other utilities, charges different rates for electricity use in the summer (June-Sept) than it does in the winter (Oct-May).

For more information on the Renewable Compliance Charge which varies monthly, please visit delmarva.com/my-home/choices-and-rates/delaware/tariffs.



The information contained in this bill insert has been prepared as a general guideline for our customers. The company's tariff, as filed and approved by the Public Service Commission, is the official document regarding all rates and rules and regulations affecting service. For further information and details, copies of the tariff are available by contacting Delmarva Power Customer Care at 1-800-375-7117 or by visiting delmarva.com.

30906-1-0432

RATE SCHEDULE	RATES EFFECTIVE 6/1/15		PREVIOUS RATES	
	Summer (Jun-Sept)	Winter (Oct-May)	Summer (Jun-Sept)	Winter (Oct-May)
Small General Service – Secondary Non Demand SGS-ND				
Supply Service Charges				
Supply Capacity, Energy and Ancillary	\$0.084631/kWh	\$0.081449/kWh	\$0.087523/kWh	\$0.082972/kWh
Separately Metered Space Heating – Secondary Service: SGS-ND and MGS-S				
Supply Service Charges				
Supply Capacity, Energy and Ancillary	\$0.083373/kWh	\$0.081395/kWh	\$0.086345/kWh	\$0.083075/kWh
Separately Metered Water Heating – Secondary Service: SGS-ND and MGS-S				
Supply Service Charges				
Supply Capacity, Energy and Ancillary	\$0.080372/kWh	\$0.071090/kWh	\$0.085926/kWh	\$0.073693/kWh

RATE SCHEDULE		RATES EFFECTIVE 6/1/15		PREVIOUS RATES	
		Summer (Jun-Sept)	Winter (Oct-May)	Summer (Jun-Sept)	Winter (Oct-May)
Medium General Services – Secondary: MGS-S					
<i>Supply Service Charges</i>					
Supply Capacity, Energy and Ancillary					
Demand Rate					
Energy Rate					
		\$12.241908/kW	\$7.975398/kW	\$11.118955/kW	\$6.867899/kW
		\$0.040507/kWh	\$0.051672/kWh	\$0.036674/kWh	\$0.044459/kWh
Outdoor Recreational Lighting – Secondary: ORL					
<i>Supply Service Charges</i>					
Supply Capacity, Energy and Ancillary					
		\$0.068195/kWh	\$0.064477/kWh	\$0.070260/kWh	\$0.065218/kWh
Large General Service – Secondary: LGS-S					
<i>Supply Service Charges</i>					
Supply Capacity, Energy and Ancillary					
Demand Rate					
On-Peak Rate					
Off-Peak Rate					
		\$13.643553/kW	\$9.394926/kW	\$12.222741/kW	\$7.503942/kW
		\$0.055292/kWh	\$0.063356/kWh	\$0.049979/kWh	\$0.051442/kWh
		\$0.039799/kWh	\$0.045425/kWh	\$0.036100/kWh	\$0.037120/kWh
RARM (eligible HPS Customers Only)					
Capacity PLC < 600kW					
Capacity PLC >=600kW					
		\$150 per month plus \$0.133499 per kW of Capacity PLC		\$150 per month plus \$0.272506 per kW of Capacity PLC	
		\$1,019.77 per month		\$2,306.15 per month	
General Service – Primary: GS-P					
<i>Supply Service Charges</i>					
Supply Capacity, Energy and Ancillary					
Demand Rate					
On-Peak Rate					
Off-Peak Rate					
		\$13.882191/kW	\$9.625108/kW	\$11.368230/kW	\$7.702405/kW
		\$0.046172/kWh	\$0.054326/kWh	\$0.039437/kWh	\$0.044903/kWh
		\$0.034537/kWh	\$0.041018/kWh	\$0.029909/kWh	\$0.034254/kWh
RARM (eligible HPS Customers Only)					
Capacity PLC < 600kW					
Capacity PLC >=600kW					
		\$150 per month plus \$0.133499 per kW of Capacity PLC		\$150 per month plus \$0.272506 per kW of Capacity PLC	
		\$1,019.77 per month		\$2,306.15 per month	
General Service – Transmission: GS-T					
<i>Supply Service Charges</i>					
RARM (eligible HPS Customers Only)					
Capacity PLC < 600kW					
Capacity PLC >=600kW					
		\$400 per month plus \$0.133499 per kW of Capacity PLC		\$400 per month plus \$0.272506 per kW of Capacity PLC	
		\$1,269.77 per month		\$2,556.15 per month	
Outdoor Lighting: OL					
<i>Supply Service Charges</i>					
Outdoor Lighting					
Traffic and Pedestrian Signals					
		\$0.050225/kWh	\$0.050225/kWh	\$0.050825/kWh	\$0.050825/kWh
		\$0.050225/kWh	\$0.050225/kWh	\$0.050825/kWh	\$0.050825/kWh

EXHIBIT "C"

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE PROVISION OF)	
STANDARD OFFER SUPPLY TO RETAIL)	
CONSUMERS IN THE SERVICE TERRITORY OF)	PSC DOCKET NO. 15-0889
DELMARVA POWER & LIGHT COMPANY)	
(FILED APRIL 1, 2015))	

AMENDED ORDER NO. 8731

AND NOW, this 15th day December, 2015, the Public Service Commission (“Commission”) determines and orders the following:

WHEREAS, on April 1, 2015, Delmarva Power & Light Company (“Delmarva”) filed revised electric tariffs and requested approval of the 2015 Standard Offer Service Rates, Procurement cost Adjustment (“PCA”) and Reasonable Allowance for Retail Margin (“RARM” (collectively, the “2015 SOS-PCA-RARM Filing”). The 2015 SOS-PCA-RARM Filing included revised tariff leafs 39 to 41; 43 to 47; 50; 112; and 114. Additionally, Delmarva filed work papers supporting the proposed tariff changes as well as the monthly bill impact information that showed a proposed decrease of approximately \$2.48 (or a decrease of 1.7%) for a typical residential customer using 1,000 kWh on an annual average basis; and

WHEREAS, as discussed further below, Staff has begun its review of the 2015 SOS-PCA-RARM Filing. At this time, pending further review of the 2015 SOS-PCA-RARM Filing, Staff recommends that the Commission approve Delmarva’s proposed rate changes on a temporary basis, subject to refund with interest effective with usage on and after June 1, 2015, and with the appropriate public notice; and

WHEREAS, Staff notes that the 2015 SOS-PCA-RARM Filing includes recovery of certain franchise and State utility taxes that Delmarva is required to collect from customers and transfer to State and local taxing authorities. For a three year period, beginning June 1, 2007, and ending May 31, 2010, Delmarva paid those taxes on behalf of its customers but, due to mistaken application of the PCA, failed to collect the amounts that it paid to taxing authorities in SOS rates (the “Uncollected Amounts”). According to the Settlement Agreement which the Commission approved as part of Order No. 8265 (December 18, 2012) in Docket No. 11-528, the total amount to be collected over a three-SOS year period, beginning June 1, 2012, is \$3,346,205 (“\$3.4 million”). Thus, in 2015, there will be the final true-up for the Uncollected Amounts. The total Uncollected Amount, however, will not exceed the \$3.4 million. The Uncollected Amounts claimed by Delmarva is still subject to Staff review; and

WHEREAS, on December 22, 2009, via Order No. 7703, the Commission approved a Settlement Agreement in PSC Docket No. 09-9 (“RARM Settlement”) which provides that where the change in the total RARM rate exceeds 5.25%, Delmarva is required to submit a formal filing for review. According to the 2015 SOS-PCA-RARM Filing, the RARM rate for fixed price customers decreased by 12.50% from the RARM rate currently in effect. Therefore, Delmarva considers the RARM component to be a formal filing, and the RARM factor will decrease. Delmarva included work papers supporting the results of the RARM factor on an actual basis for the reporting year ending December 31, 2014, and on an estimated basis for the rate effective period. The RARM component will be subject to formal discovery; and

WHEREAS, on October 7, 2008, pursuant to 26 *Del. C.* §1007 (c)(1) and the Commission’s jurisdiction in this docket, the Commission issued Order No. 7461 which

approved Delmarva's request to utilize in its annual Standard Offer Service ("SOS") procurement process a reverse auction process conducted by World Energy Solutions, Inc.; and

WHEREAS, on December 1, 2014 and February 2, 2015 Delmarva conducted its tenth annual SOS procurement for supply contracts commencing on June 1, 2015. The procurement, which was conducted in two "tranches", secured three-year supply contracts for one-third of the residential SOS load and one-year contracts for 100% of the load for other "fixed price" types of service. Liberty Consulting Group, Inc. ("Liberty"), along with Staff, observed and evaluated the supply procurement in each tranche; and

WHEREAS, at the Commission's March 3, 2015 meeting, Liberty presented its Final Report dated March 3, 2015 which discussed the details of each procurement and the successful bids for the 2014-2015 SOS RFP. The 2015 SOS-PCA-RARM Filing reflects the results of the successful bids, as well as the PCA and RARM; and

WHEREAS, as discussed in its report, Liberty found that the auction resulted in bids that were consistent with expectations based on market conditions;

**NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE
VOTE OF NOT FEWER THAN THREE COMMISSIONERS:**

1. The "Technical Consultant's Final Report To the Delaware Public Service Commission – Delmarva Power & Light Company 2014-2015 Request for Proposals for Full Requirements Wholesale Electric Supply for Standard Offer Service" dated March 3, 2015 as prepared and given to the commission by Liberty Consulting Group, Inc. is hereby accepted.

2. Pursuant to 26 *Del. C.* §306 (a) (1), the revised tariff sheets, including revised rates, filed by Delmarva pertaining to the 2015 SOS-PCA-RARM Filing are approved on a temporary

basis, with usage on and after June 1, 2015. Such rates shall be subject to refund, with interest, if the Commission shall determine in a final order that such rates are, in whole or in part, unjust or unreasonable.

3. Delmarva shall publish the form of notice attached as **Exhibit "A"**, in the following newspapers, on the designated dates, in two-column format outlined in black:

January 5, 2016 – The News Journal

January 6, 2016 – Delaware State News

Delmarva shall cause the affidavits of publication of the above notices to be filed in this docket within two weeks of becoming available.

4. Interested persons may file petitions for intervention, written comments, or objections to the proposed rates and tariff changes on or before January 26, 2016. If material objections or written comments are filed, or if Staff recommends changes to the proposed rates or tariff revisions temporarily approved by this Order, the Commission will determine, by further Order, the course of any further proceedings. If material written comments or objections are not filed and Staff recommends final approval of the rates and revised tariff leafs, then the Commission may enter a final order at a duly-noticed public hearing.

5. Delmarva is hereby notified that it will be charged the costs of this proceeding under the provisions of 26 *Del. C.* §114(b) (1).

6. The Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Chair

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary

EXHIBIT "A"

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE PROVISION OF)	
STANDARD OFFER SUPPLY TO RETAIL)	
CONSUMERS IN THE SERVICE TERRITORY OF)	PSC DOCKET NO. 15-0889
DELMARVA POWER & LIGHT COMPANY)	
(FILED APRIL 1, 2015))	

PUBLIC NOTICE OF CHANGES

TO FIXED PRICE STANDARD OFFER SERVICE RATES

**AND PROCUREMENT COST ADJUSTMENT RATE FACTORS AND
REASONABLE ALLOWANCE FOR RETAIL MARGIN RATE FACTORS**

**TO: ALL CUSTOMERS OF DELMARVA POWER & LIGHT COMPANY
TAKING STANDARD OFFER SUPPLY**

On April 1, 2015, Delmarva Power & Light Company ("Delmarva" or the "Company") filed with the Delaware Public Service Commission (the "Commission") an application to make changes to its Electric Tariff related to its Standard Offer Supply ("SOS") service offerings, including:

- (a) Changes in the rates for "fixed" price SOS to reflect the bid prices from the recent "fixed price" SOS wholesale procurement process;
- (b) Revision of the "Procurement Cost Adjustment" factors applicable to both fixed price SOS and hourly prices (SOS and returning customer) services; and

(c) Revision of the Reasonable Allowance for Retail Margin applicable to both fixed price SOS and Hourly Prices (SOS and returning customer) services.

According to the Company's calculations, not including the Qualified Fuel Cell Provider Project ("Bloom") or RPS Charge, the monthly bill for a residential customer using 1,000 kWh on an annual average basis will be decreased by approximately \$2.48 (or a decrease of 1.7%).

On May 5, 2015, in PSC Order No. 8736, the Commission allowed the proposed rates and tariff changes to go into effect, with usage on or after June 1, 2015, on a temporary basis, but subject to refund with interest if the Commission later determines in a final order that such rates and charges are incorrect, unjust, or unreasonable.

Interested persons may file written comments or objections to the proposed rates and tariff changes **on or before January 26, 2016**. If you wish to formally participate as a party in this matter, with the right to present evidence and be represented by counsel, you must file with the Commission a written petition asking for leave to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (26 *Del. Admin. C.* §1001-2.9) **on or before January 26, 2016**. All written comments, objections or petitions for leave to intervene should be sent to the Commission's address:

Public Service Commission
861 Silver Lake Blvd.
Cannon Bldg., Suite 100
Dover, DE 19904
Attn.: PSC Docket No. 15-0889

Petitions filed after the deadline of January 26, 2016, will not be considered except for good cause shown.

You are invited to review Delmarva's filing and supporting documents to determine how your interests may be affected. You may review documents posted on the Commission's website in the DelaFile E-filing system located at (<http://delafile.delaware.gov>), using Docket No. 15-0889. If you would like to review documents at the Commission's offices, please contact Donna Nickerson at donna.nickerson@state.de.us to arrange a time for your review. You may also review copies of Delmarva's filing and supporting documents at the office of the Division of the Public Advocate located at either 820 North French Street, 4th Floor, Wilmington, Delaware 19801 or 29 South State Street, Dover, DE 19901. Please call either (302) 577-5077 (Wilmington) or (302) 241-2555 (Dover) to arrange for a time to review the documents at either of those locations.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. The link to this form can be found on the Commission's website, <http://dep.sc.delaware.gov>, or by visiting this web address: <https://delafile.delaware.gov/Complaints/FOIA.aspx>. The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 *Del. C. ch.* 100.

If you have a disability and wish to participate or to review the materials in this matter, please contact the Commission to discuss any auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means. If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions regarding this matter by Internet e-mail addressed to pamela.knotts@state.de.us.

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**BEFORE THE PUBLIC SERVICE COMMISSION
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IN THE MATTER OF THE PROVISION OF)	
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DELMARVA POWER & LIGHT COMPANY)	
(FILED APRIL 1, 2015))	

AMENDED ORDER NO. 8731

~~This 5th~~ **AND NOW**, this 15th day May~~December~~, 2015, the Public Service Commission
("Commission") determines and orders the following:

WHEREAS, on April 1, 2015, Delmarva Power & Light Company ("Delmarva") filed revised electric tariffs and requested approval of the 2015 Standard Offer Service Rates, Procurement cost Adjustment ("PCA") and Reasonable Allowance for Retail Margin ("RARM" (collectively, the "2015 SOS-PCA-RARM Filing"). The 2015 SOS-PCA-RARM Filing included revised tariff leafs 39 to 41; 43 to 47; 50; 112; and 114. Additionally, Delmarva filed work papers supporting the proposed tariff changes as well as the monthly bill impact information that showed a proposed decrease of approximately \$2.48 (or a decrease of 1.7%) for a typical residential customer using 1,000 kWh on an annual average basis; and

WHEREAS, as discussed further below, Staff has begun its review of the 2015 SOS-PCA-RARM Filing. At this time, pending further review of the 2015 SOS-PCA-RARM Filing, Staff recommends that the Commission approve Delmarva's proposed rate changes on a temporary basis, subject to refund with interest effective with usage on and after June 1, 2015, and with the appropriate public notice; and

WHEREAS, Staff notes that the 2015 SOS-PCA-RARM Filing includes recovery of certain franchise and State utility taxes that Delmarva is required to collect from customers and transfer to State and local taxing authorities. For a three year period, beginning June 1, 2007, and ending May 31, 2010, Delmarva paid those taxes on behalf of its customers but, due to mistaken application of the PCA, failed to collect the amounts that it paid to taxing authorities in SOS rates (the "Uncollected Amounts"). According to the Settlement Agreement which the Commission approved as part of Order No. 8265 (December 18, 2012) in Docket No. 11-528, the total amount to be collected over a three-SOS year period, beginning June 1, 2012, is \$3,346,205 ("3.4 million"). Thus, in 2015, there will be the final true-up for the Uncollected Amounts. The total Uncollected Amount, however, will not exceed the 3.4 million. The Uncollected Amounts claimed by Delmarva is still subject to Staff review; and

WHEREAS, on December 22, 2009, via Order No. 7703, the Commission approved a Settlement Agreement in PSC Docket No. 09-9 ("RARM Settlement") which provides that where the change in the total RARM rate exceeds 5.25%, Delmarva is required to submit a formal filing for review. According to the 2015 SOS-PCA-RARM Filing, the RARM rate for fixed price customers decreased by 12.50% from the RARM rate currently in effect. Therefore, Delmarva considers the RARM component to be a formal filing, and the RARM factor will decrease. Delmarva included work papers supporting the results of the RARM factor on an actual basis for the reporting year ending December 31, 2014, and on an estimated basis for the rate effective period. The RARM component will be subject to formal discovery; and

WHEREAS, on October 7, 2008, pursuant to 26 *Del. C.* §1007 (c)(1) and the Commission's jurisdiction in this docket, the Commission issued Order No. 7461 which

approved Delmarva's request to utilize in its annual Standard Offer Service ("SOS") procurement process a reverse auction process conducted by World Energy Solutions, Inc.; and

WHEREAS, on December 1, 2014 and February 2, 2015 Delmarva conducted its tenth annual SOS procurement for supply contracts commencing on June 1, 2015. The procurement, which was conducted in two "tranches", secured three-year supply contracts for one-third of the residential SOS load and one-year contracts for 100% of the load for other "fixed price" types of service. Liberty Consulting Group, Inc. ("Liberty"), along with Staff, observed and evaluated the supply procurement in each tranche; and

WHEREAS, at the Commission's March 3, 2015 meeting, Liberty presented its Final Report dated March 3, 2015 which discussed the details of each procurement and the successful bids for the 2014-2015 SOS RFP. The 2015 SOS-PCA-RARM Filing reflects the results of the successful bids, as well as the PCA and RARM; and

WHEREAS, as discussed in its report, Liberty found that the auction resulted in bids that were consistent with expectations based on market conditions;

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**NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE
VOTE OF NOT FEWER THAN THREE COMMISSIONERS:**

1. The "Technical Consultant's Final Report To the Delaware Public Service Commission – Delmarva Power & Light Company 2014-2015 Request for Proposals for Full Requirements Wholesale Electric Supply for Standard Offer Service" dated March 3, 2015 as prepared and given to the commission by Liberty Consulting Group, Inc. is hereby accepted.

2. Pursuant to 26 *Del. C.* §306 (a) (1), the revised tariff sheets, including revised rates, filed by Delmarva pertaining to the 2015 SOS-PCA-RARM Filing are approved on a temporary

basis, with usage on and after June 1, 2015. Such rates shall be subject to refund, with interest, if the Commission shall determine in a final order that such rates are, in whole or in part, unjust or unreasonable.

3. Delmarva shall publish the form of notice attached as **Exhibit "A"**, in the following newspapers, on the designated dates, in two-column format outlined in black:

~~May 21, 2015~~January 5, 2016 – The News Journal

~~May 22, 2015~~January 6, 2016 – Delaware State News

Delmarva shall cause the affidavits of publication of the above notices to be filed in this docket within two weeks of becoming available.

4. Interested persons may file petitions for intervention, written comments, or objections to the proposed rates and tariff changes on or before ~~July 17, 2015~~January 26, 2016.

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If material objections or written comments are filed, or if Staff recommends changes to the proposed rates or tariff revisions temporarily approved by this Order, the Commission will determine, by further Order, the course of any further proceedings. If material written comments or objections are not filed and Staff recommends final approval of the rates and revised tariff leafs, then the Commission may enter a final order at a duly-noticed public hearing.

5. Delmarva is hereby notified that it will be charged the costs of this proceeding under the provisions of 26 *Del. C.* §114(b) (1).

6. The Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Chair

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary

EXHIBIT "A"

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE PROVISION OF)
STANDARD OFFER SUPPLY TO RETAIL)
CONSUMERS IN THE SERVICE TERRITORY OF) PSC DOCKET NO. 15-0889
DELMARVA POWER & LIGHT COMPANY)
(FILED APRIL 1, 2015))

PUBLIC NOTICE OF CHANGES

TO FIXED PRICE STANDARD OFFER SERVICE RATES
AND PROCUREMENT COST ADJUSTMENT RATE FACTORS AND
REASONABLE ALLOWANCE FOR RETAIL MARGIN RATE FACTORS

TO: ALL CUSTOMERS OF DELMARVA POWER & LIGHT COMPANY
TAKING STANDARD OFFER SUPPLY

On April 1, 2015, Delmarva Power & Light Company ("Delmarva" or the "Company") filed with the Delaware Public Service Commission (the "Commission") an application to make changes to its Electric Tariff related to its Standard Offer Supply ("SOS") service offerings, including:

- (a) Changes in the rates for "fixed" price SOS to reflect the bid prices from the recent "fixed price" SOS wholesale procurement process;
- (b) Revision of the "Procurement Cost Adjustment" factors applicable to both fixed price SOS and hourly prices (SOS and returning customer) services; and

(c) Revision of the Reasonable Allowance for Retail Margin applicable to both fixed price SOS and Hourly Prices (SOS and returning customer) services.

According to the Company's calculations, not including the Qualified Fuel Cell Provider Project ("Bloom") or RPS Charge, the monthly bill for a residential customer using 1,000 kWh on an annual average basis will be decreased by approximately \$2.48 (or a decrease of 1.7%).

On May 5, 2015, in PSC Order No. 8736, the Commission allowed the proposed rates and tariff changes to go into effect, with usage on or after June 1, 2015, on a temporary basis, but subject to refund with interest if the Commission later determines in a final order that such rates and charges are incorrect, unjust, or unreasonable.

Interested persons may file written comments or objections to the proposed rates and tariff changes **on or before ~~July 17, 2015~~ January 26, 2016**. If you wish to formally participate as a party in this matter, with the right to present evidence and be represented by counsel, you must file with the Commission a written petition asking for leave to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (26 *Del. Admin. C.* §1001-2.9) **on or before ~~July 17, 2015~~ January 26, 2016**. All written comments, objections or petitions for leave to intervene should be sent to the Commission's address:

Public Service Commission
861 Silver Lake Blvd.
Cannon Bldg., Suite 100
Dover, DE 19904
Attn.: PSC Docket No. 15-0889

Petitions filed after the deadline of **~~July 17, 2015~~ January 26, 2016**, will not be considered except for good cause shown.

You are invited to review Delmarva's filing and supporting documents to determine how your interests may be affected. You may review documents posted on the Commission's website in the DelaFile E-filing system located at (<http://delafile.delaware.gov>), using Docket No. 15-0889. If you would like to review documents at the Commission's offices, please contact Donna Nickerson at donna.nickerson@state.de.us to arrange a time for your review. You may also review copies of Delmarva's filing and supporting documents at the office of the Division of the Public Advocate located at ~~either~~ 820 North French Street, 4th Floor, Wilmington, Delaware 19801, ~~or 29 South State Street, Dover, DE 19901.~~ Please call ~~either~~ (302) 577-5077 (~~Wilmington~~) or (302) 241-2555 (~~Dover~~) to arrange for a time to review the documents at ~~that location~~ either of those locations.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. The link to this form can be found on the Commission's website, <http://depsec.delaware.gov>, or by visiting this web address: <https://delafile.delaware.gov/Complaints/FOIA.aspx>. The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 *Del. C. ch.* 100.

If you have a disability and wish to participate or to review the materials in this matter, please contact the Commission to discuss any auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means. If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions regarding this matter by Internet e-mail addressed to pamela.knotts@state.de.us.